

**UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re: W. R. Grace & Co., et al  
Debtor

Case No. 01-01139 Jointly Administered  
Reporting Period: March 2002

**MONTHLY OPERATING REPORT**

File with Court and submit copy to United States Trustee within 20 days after end of month

Submit copy of report to any official committee appointed in the case.

<b>REQUIRED DOCUMENTS</b>	<b>Form No.</b>	<b>Document Attached</b>	<b>Explanation Attached</b>
Schedule of Cash Receipts and Disbursements	MOR-1	X	
Bank Reconciliation (or copies of debtor's bank reconciliations)	MOR-1 (con't)	X	
Copies of bank statements		X	
Cash disbursements journals			Not available
Statement of Operations	MOR-2	X	
Balance Sheet	MOR-3	X	
Status of Postpetition Taxes	MOR-4	X	
Copies of IRS Form 6123 or payment receipt			Not available
Copies of Federal income tax returns filed during reporting period			None filed
Summary of Unpaid Postpetition Debts	MOR-4		See Note #4
Listing of aged accounts payable			See Note #4
Accounts Receivable Reconciliation and Aging	MOR-5	X	
Debtor Questionnaire	MOR-5	X	

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the documents attached are true and correct to the best of my knowledge and belief.

\_\_\_\_\_  
Signature of Debtor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Joint Debtor

\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Signature of Authorized Individual\*

25 APRIL 2002  
\_\_\_\_\_  
Date

Robert M. Tarola  
\_\_\_\_\_  
Printed Name of Authorized Individual

Senior Vice President and  
Chief Financial Officer  
\_\_\_\_\_  
Title of Authorized Individual

\*Authorized individual must be an officer, director or shareholder if debtor is a corporation; a partner if debtor is a partnership; a manager or member if debtor is a limited liability company.

**W. R. Grace & Co.**  
**Monthly Financial Report**  
**March 31, 2002**

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**Monthly Operating Report**

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**Bank Statements**

**Federal Income Tax Returns**

None Filed

**Forward-Looking Information**

This monthly financial report contains forward-looking information that involves risks and uncertainties. For such information, Grace claims the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. Actual results could differ materially from the results predicted, and reported results should not be considered as a indication of future performance. Factors that could cause actual results to differ from those contained in the forward-looking information include those factors set forth in Grace's most recent Annual Report on Form 10-K and quarterly reports on Form 10-Q, which have been filed with the Securities Exchange Commission.

**Statement of Confidentiality**

The information contained in the monthly financial report contains confidential information of W. R. Grace & Co. and its subsidiaries (the "Confidential Information"). The Confidential Information has been prepared solely for information purposes and may not be disclosed to any person or entity or reproduced, disseminated or disclosed, in whole or in part, except to officers, directors, employees, and representatives of the recipient ("Representatives") or as required by applicable law or regulation. By receipt of the Confidential Information, each recipient agrees to (1) use the Confidential Information only to enhance its understanding of Grace and its businesses, and (2) inform its Representatives of the confidential nature of such information and direct them to treat such information in accordance with the terms. Each recipient agrees to be responsible for any breach of these provisions by any of its Representatives.

## **Monthly Operating Report**

## W. R. Grace &amp; Co. - Conn

## Schedule of Cash Receipts and Disbursements

MOR-1

March 2002

	JP Morgan Chase Disbursement 9101013572	Wachovia Lockbox 8619039102	First Union Deposit Acct 2199500021812	First Union Payroll 2079900003615	First Union Money Market 8025296271	First Union Depository 2000006910969	Merrill Lynch Investment 3323735
CASH BEGINNING OF MONTH	\$ 70,413	\$ 648,500	\$ 306,589	\$ (165,041)	\$ -	\$ 3,744	\$ 22,271,927
RECEIPTS							
		No Activity			No Activity	No Activity	
ACCOUNTS RECEIVABLE - THIRD PARTIES							
ACCOUNTS RECEIVABLE - INTERCOMPANY							
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI							
DIP BORROWINGS							
TRANSFERS IN - THIRD PARTIES			2,786,914				72,602
TRANSFERS IN - NONFILING ENTITIES							
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	227,430			7,529,546			60,200,000
MISCELLANEOUS							
TOTAL RECEIPTS	227,430	-	2,786,914	7,529,546	-	-	60,272,602
DISBURSEMENTS							
PAYROLL				4,557,805			
PAYROLL TAXES				2,929,329			
TRADE PAYABLES - THIRD PARTIES							
TRADE PAYABLES - INTERCOMPANY							
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI							
DIP PRINCIPAL REPAYMENTS							
DIP INTEREST AND USAGE FEES							
TRANSFERS OUT - THIRD PARTIES	185,677						
TRANSFERS OUT - NONFILING ENTITIES							
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS			2,575,079				82,400,000
MISCELLANEOUS							
TOTAL DISBURSEMENTS	185,677	-	2,575,079	7,487,134	-	-	82,400,000
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	41,753	-	211,834	42,412	-	-	(22,127,398)
CASH - END OF MONTH	112,166	648,500	518,423	(122,629)	-	3,744	144,530

## Note #1

Various payments are made by W. R. Grace & Co. - Conn on behalf of other debtor entities. Such activity may include salary of employees, legal and professional fees, and other expenditures, and is generally recorded via intercompany accounts. In addition, certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

## W. R. Grace &amp; Co. - Conn

## Schedule of Cash Receipts and Disbursements

MOR-1

March 2002

	Merrill Lynch Investment 3343175	JP Morgan Chase Holding 323223141	First Union Daleen Deposit 2090002554779	First Union SBA Deposit 2090003135045	JP Morgan Chase Concentration 16001257	Fleet Bank Payroll 44987004	Bank of America Payroll 3750245235
CASH BEGINNING OF MONTH	\$ -	\$ 710,977	\$ 63,174	\$ 165,968	\$ 529,481	\$ -	\$ -
RECEIPTS		No Activity	No Activity			No Activity	No Activity
ACCOUNTS RECEIVABLE - THIRD PARTIES							
ACCOUNTS RECEIVABLE - INTERCOMPANY							
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI					20,000,000		
DIP BORROWINGS					3,434,218		
TRANSFERS IN - THIRD PARTIES	5,218				10,975,888		
TRANSFERS IN - NONFILING ENTITIES					193,766,161		
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	8,204,342				80,526		
MISCELLANEOUS					228,258,774		
TOTAL RECEIPTS	8,209,560	-	-	-	228,258,774	-	-
DISBURSEMENTS							
PAYROLL							
PAYROLL TAXES					255,079		
TRADE PAYABLES - THIRD PARTIES							
TRADE PAYABLES - INTERCOMPANY							
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI					20,000,000		
DIP PRINCIPAL REPAYMENTS					128,919		
DIP INTEREST AND USAGE FEES					10,261,850		
TRANSFERS OUT - THIRD PARTIES					239,521		
TRANSFERS OUT - NONFILING ENTITIES					184,028,220		
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS	8,204,342			165,968			
MISCELLANEOUS				165,968	214,913,589	-	-
TOTAL DISBURSEMENTS	8,204,342	-	-	165,968	214,913,589	-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	5,218	-	-	(165,968)	13,343,185	-	-
CASH - END OF MONTH	5,218	710,977	63,174	-	13,872,646	-	-

## Note #1

Various payments are made by W. R. Grace & Co. - Conn on behalf of other debtor entities. Such activity may include salary of employees, legal and professional fees, and other expenditures, and is generally recorded via intercompany accounts. In addition, certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

**W. R. Grace & Co. - Conn**  
**Schedule of Cash Receipts and Disbursements**  
**MOR-1**  
**March 2002**

	Bank of America Payroll 8186003115	Bank of America Lockbox 8186203114	First Union Concentration 2000000282172	First Union Payroll 2079900016741	First Union Petty Cash 2079900005600	Civic Bank Payroll 15502015736	Fleet Bank Payroll 51217666
CASH BEGINNING OF MONTH	\$ 8,154	\$ 805,146	\$ 5,290,480	\$ (443,211)	\$ 1,936	\$ 20,163	\$ 3,544
RECEIPTS	No Activity					No Activity	No Activity
ACCOUNTS RECEIVABLE - THIRD PARTIES		40,109,847					
ACCOUNTS RECEIVABLE - INTERCOMPANY		964,651					
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI							
DIP BORROWINGS							
TRANSFERS IN - THIRD PARTIES							
TRANSFERS IN - NONFILING ENTITIES							
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS			83,581,078	9,331,375	9,786		
MISCELLANEOUS			2,929				
TOTAL RECEIPTS		41,074,498	83,584,007	9,331,375	9,786	-	-
DISBURSEMENTS							
PAYROLL				5,740,186			
PAYROLL TAXES				3,546,976			
TRADE PAYABLES - THIRD PARTIES					7,992		
TRADE PAYABLES - INTERCOMPANY							
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI							
DIP PRINCIPAL REPAYMENTS							
DIP INTEREST AND USAGE FEES							
TRANSFERS OUT - THIRD PARTIES		2,158,179					578
TRANSFERS OUT - NONFILING ENTITIES							
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		39,271,903	86,838,405				
MISCELLANEOUS							
TOTAL DISBURSEMENTS		41,430,082	86,838,405	9,287,161	7,992	-	578
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)		(355,584)	(3,254,399)	44,213	1,794	-	(578)
CASH - END OF MONTH	8,154	449,562	2,036,091	(398,998)	3,731	20,163	2,966

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## W. R. Grace &amp; Co. - Conn

## Schedule of Cash Receipts and Disbursements

MOR-1

March 2002

	First Union Libby Medical 2079900065006	First Union Accts Payable 2079920005761	First Union Payroll 2079900067554	Wachovia Lockbox 1866-082535	First Union Accts payable 2079900005260	First Union Accts Payable 2079900005231	Allfirst Payroll 16298631
CASH BEGINNING OF MONTH	\$ 138,767	\$ (13,122,343)	\$ (103,483)	\$ 692,134	\$ (3,174,495)	\$ (2,541,827)	\$ 167,396
RECEIPTS							
ACCOUNTS RECEIVABLE - THIRD PARTIES				33,804,357			
ACCOUNTS RECEIVABLE - INTERCOMPANY				8,224,492			
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI							
DIP BORROWINGS							
TRANSFERS IN - THIRD PARTIES							
TRANSFERS IN - NONFILING ENTITIES					10,281,973	17,901,432	3,154,182
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	111,508	40,224,812	1,447,974				27,604
MISCELLANEOUS							
TOTAL RECEIPTS	111,508	40,224,812	1,447,974	42,028,848	10,281,973	17,901,432	3,181,786
DISBURSEMENTS							
PAYROLL			852,758				1,961,336
PAYROLL TAXES			476,785				1,192,846
TRADE PAYABLES - THIRD PARTIES		37,296,108			9,689,973	15,359,605	
TRADE PAYABLES - INTERCOMPANY							
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI							
DIP PRINCIPAL REPAYMENTS							
DIP INTEREST AND USAGE FEES							
TRANSFERS OUT - THIRD PARTIES							
TRANSFERS OUT - NONFILING ENTITIES				42,284,867			
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS				18,114			
MISCELLANEOUS							
TOTAL DISBURSEMENTS		37,296,108	1,429,543	42,302,981	9,689,973	15,359,605	3,154,182
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	111,508	2,928,703	18,431	(274,132)	592,000	2,541,827	27,604
CASH - END OF MONTH	250,275	(10,193,639)	(85,051)	418,002	(2,582,495)	0	195,000

## Note #1

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W. R. Grace & Co. - Conn  
Schedule of Cash Receipts and Disbursements  
MOR-1  
rch 2002

	SunTrust Payroll 00000141309	PNC 4002641360	Hibernia Natl Disbursement 101391210	Bank of America Payroll 0000 0002 2137	Abfirst Payroll 16298657	First Union Petty Cash 2040000016900	Banco de Credito Operating Acct 1931115122058
CASH BEGINNING OF MONTH	\$ 45,000	\$ 25,000	\$ 10,000	\$ 25,000	\$ 208,003	\$ 40,778	\$ 99,533
RECEIPTS	No Activity	No Activity	No Activity	No Activity		No Activity	
ACCOUNTS RECEIVABLE - THIRD PARTIES							
ACCOUNTS RECEIVABLE - INTERCOMPANY							
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI							
DIP BORROWINGS							
TRANSFERS IN - THIRD PARTIES							
TRANSFERS IN - NONFILING ENTITIES					9,390,349		
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS							
MISCELLANEOUS					9,390,349		
TOTAL RECEIPTS							
DISBURSEMENTS							
PAYROLL					5,556,936		
PAYROLL TAXES					3,833,413		
TRADE PAYABLES - THIRD PARTIES							
TRADE PAYABLES - INTERCOMPANY							
ACCOUNT SECURITIZATION							
PAYMENTS AS SERVICER FOR GRPI							
DIP PRINCIPAL REPAYMENTS							
DIP INTEREST AND USAGE FEES							76,083
TRANSFERS OUT - THIRD PARTIES							
TRANSFERS OUT - NONFILING ENTITIES							
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS							5,392
MISCELLANEOUS					9,390,349		81,475
TOTAL DISBURSEMENTS							(81,475)
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)							
CASH - END OF MONTH	45,000	25,000	10,000	25,000	208,003	40,778	18,058

## Note #1

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W. R. Grace & Co. - Conn  
 Schedule of Cash Receipts and Disbursements  
 MOR-1  
 March 2002

	Banco de Credito Operating Acct 1931125963172	Banco de Credito Time Deposit	Bank of Boston Operating Acct 0154519	Bank of Boston Operating Acct 0154424	Cash in Transit	Cash on Hand	Other
CASH BEGINNING OF MONTH	\$ 61,131	\$ -	\$ 9,019	\$ 726,525	\$ 184	\$ 48,025	\$ 346,437
RECEIPTS							
ACCOUNTS RECEIVABLE - THIRD PARTIES	81,808		16,716	156,096	2,655,384		
ACCOUNTS RECEIVABLE - INTERCOMPANY							
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI							
DIP BORROWINGS			25,023	500			
TRANSFERS IN - THIRD PARTIES							
TRANSFERS IN - NONFILING ENTITIES							
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS							21,892
MISCELLANEOUS							21,892
TOTAL RECEIPTS	81,808	-	41,739	156,596	2,655,384	-	21,892
DISBURSEMENTS							
PAYROLL			8,372				
PAYROLL TAXES			25,464				
TRADE PAYABLES - THIRD PARTIES							
TRADE PAYABLES - INTERCOMPANY							
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI							
DIP PRINCIPAL REPAYMENTS							
DIP INTEREST AND USAGE FEES				25,000			
TRANSFERS OUT - THIRD PARTIES							
TRANSFERS OUT - NONFILING ENTITIES							
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS	8,670		8,491	9,059			220,855
MISCELLANEOUS	8,670		42,327	34,059	-	-	220,855
TOTAL DISBURSEMENTS	8,670	-	42,327	34,059	-	-	220,855
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	73,138	-	(588)	122,537	2,655,384	-	(198,963)
CASH - END OF MONTH	134,269	-	8,431	849,061	2,655,568	48,025	147,474

Note #1

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## W. R. Grace &amp; Co. - Conn

## Schedule of Cash Receipts and Disbursements

MOR-1

March 2002

	CURRENT MONTH	
	ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ 13,992,718	
RECEIPTS		
ACCOUNTS RECEIVABLE - THIRD PARTIES	76,824,207	
ACCOUNTS RECEIVABLE - INTERCOMPANY	9,189,142	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI	-	
DIP BORROWINGS	20,000,000	
TRANSFERS IN - THIRD PARTIES	6,324,476	
TRANSFERS IN - NONFILING ENTITIES	10,975,868	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	445,361,947	
MISCELLANEOUS	132,951	
TOTAL RECEIPTS	568,808,592	-
DISBURSEMENTS		
PAYROLL	18,777,393	
PAYROLL TAXES	12,004,813	
TRADE PAYABLES - THIRD PARTIES	62,608,768	
TRADE PAYABLES - INTERCOMPANY	-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI	-	
DIP PRINCIPAL REPAYMENTS	20,000,000	
DIP INTEREST AND USAGE FEES	128,919	
TRANSFERS OUT - THIRD PARTIES	12,707,367	
TRANSFERS OUT - NONFILING ENTITIES	239,521	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS	445,602,816	
MISCELLANEOUS	436,549	
TOTAL DISBURSEMENTS	672,506,134	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	(3,697,542)	-
CASH - END OF MONTH	10,295,176	\$ -

## Note #1

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W.R. Grace &amp; Co.

## Schedule of Cash Receipts and Disbursements

MOR-1

March 2002

	JP Morgan Chase Pass Through 323881963	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ -	\$ -	
RECEIPTS			
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	291,148	291,148	
TOTAL RECEIPTS	291,148	291,148	-
DISBURSEMENTS			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS	291,148	291,148	
MISCELLANEOUS		-	
TOTAL DISBURSEMENTS	291,148	291,148	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)		-	-
CASH - END OF MONTH	\$ -	\$ -	\$ -

Remedium Group, Inc.

## Schedule of Cash Receipts and Disbursements

MOR-1

March 2002

	JP Morgan Chase Depository/Wire 323883642	JP Morgan Chase Disbursement 601831985	Other	CURRENT MONTH	
				ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ -	\$ 41,882	\$ (18,930)	\$ 22,951	
RECEIPTS			No Activity		
ACCOUNTS RECEIVABLE - THIRD PARTIES				-	
ACCOUNTS RECEIVABLE - INTERCOMPANY				-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI				-	
DIP BORROWINGS				60,278	
TRANSFERS IN - THIRD PARTIES	50,278			-	
TRANSFERS IN - NONFILING ENTITIES		291,148		291,148	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS				341,426	-
TOTAL RECEIPTS	50,278	291,148	-		
DISBURSEMENTS					
PAYROLL				-	
PAYROLL TAXES				-	
TRADE PAYABLES - THIRD PARTIES				-	
TRADE PAYABLES - INTERCOMPANY				-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI				-	
DIP PRINCIPAL REPAYMENTS				-	
DIP INTEREST AND USAGE FEES		390,403		390,403	
TRANSFERS OUT - THIRD PARTIES				-	
TRANSFERS OUT - NONFILING ENTITIES	50,278			50,278	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS				-	
MISCELLANEOUS				440,681	-
TOTAL DISBURSEMENTS	50,278	390,403	-		
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	(99,255)	-	(99,255)	-
CASH - END OF MONTH	-	(57,374)	(18,930)	(76,304)	-

Darex Puerto Rico, Inc.

## Schedule of Cash Receipts and Disbursements

MOR-1

March 2002

	Citibank Operating Acct 300153011	Petty Cash	Other	CURRENT MONTH	
				ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ 3,611,978	\$ 1,500	\$ (51,673)	\$ 3,561,805	
RECEIPTS		No Activity	No Activity		
ACCOUNTS RECEIVABLE - THIRD PARTIES	466,195			466,195	
ACCOUNTS RECEIVABLE - INTERCOMPANY				-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI				-	
DIP BORROWINGS				-	
TRANSFERS IN - THIRD PARTIES				-	
TRANSFERS IN - NONFILING ENTITIES				-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS				-	
TOTAL RECEIPTS	466,195	-	-	466,195	-
DISBURSEMENTS					
PAYROLL	11,348			11,348	
PAYROLL TAXES	8,045			8,045	
TRADE PAYABLES - THIRD PARTIES	258,740			258,740	
TRADE PAYABLES - INTERCOMPANY				-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI				-	
DIP PRINCIPAL REPAYMENTS				-	
DIP INTEREST AND USAGE FEES				-	
TRANSFERS OUT - THIRD PARTIES				-	
TRANSFERS OUT - NONFILING ENTITIES				-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS				-	
MISCELLANEOUS				-	
TOTAL DISBURSEMENTS	278,133	-	-	278,133	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	188,062	-	-	188,062	-
CASH - END OF MONTH	3,800,040	1,500	(51,673)	3,749,867	-

## CC Partners

## Schedule of Cash Receipts and Disbursements

MOR-1

March 2002

	First Union Deposit Acct 2199500031802	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ (1,599,153)	\$ (1,599,153)	
RECEIPTS			
	No Activity		
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	
TOTAL RECEIPTS	-	-	-
DISBURSEMENTS			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	
MISCELLANEOUS	(1,599,153)	(1,599,153)	
TOTAL DISBURSEMENTS	(1,599,153)	(1,599,153)	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	1,599,153	1,599,153	-
CASH - END OF MONTH	\$ -	\$ -	\$ -

Kootenai Development Company Schedule of Cash Receipts and Disbursements MOR-1 March 2002			
	First National Bank of Montana 1049097	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ 36,936	\$ 36,936	
RECEIPTS			
	No Activity		
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	
TOTAL RECEIPTS	-	-	-
DISBURSEMENTS			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	
MISCELLANEOUS		-	
TOTAL DISBURSEMENTS	-	-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)		-	-
CASH - END OF MONTH	\$ 36,936	\$ 36,936	\$ -

Dewey &amp; Almy, LLC

## Schedule of Cash Receipts and Disbursements

MOR-1

March 2002

	Miscellaneous	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ 1,000	\$ 1,000	
RECEIPTS	No Activity		
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	
TOTAL RECEIPTS	-	-	-
DISBURSEMENTS			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	
MISCELLANEOUS		-	
TOTAL DISBURSEMENTS	-	-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	-	-
CASH - END OF MONTH	\$ 1,000	\$ 1,000	\$ -



Grace Europe, Inc. Schedule of Cash Receipts and Disbursements MOR-1 March 2002			
	Barclays Bank PLC	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ -	\$ -	
RECEIPTS			
	No Activity		
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	
TOTAL RECEIPTS	-	-	-
DISBURSEMENTS			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	
MISCELLANEOUS		-	
TOTAL DISBURSEMENTS	-	-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	-	-
CASH - END OF MONTH	\$ -	\$ -	\$ -

Gloucester New Communities Company, Inc.  
Schedule of Cash Receipts and Disbursements  
MOR-1  
March 2002

	Cash On Hand	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ 500	\$ 500	
RECEIPTS			
	No Activity		
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	
TOTAL RECEIPTS	-	-	-
DISBURSEMENTS			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	
MISCELLANEOUS		-	
TOTAL DISBURSEMENTS	-	-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	-	-
CASH - END OF MONTH	\$ 500	\$ 500	-

W. R. Grace & Co. - Conn  
Bank Reconciliations  
February 2002  
MOR-1

	JP Morgan Chase Disbursement 9101013572	Wachovia Lockbox 6619039102	First Union Deposit Acct 2199500021812	First Union Payroll 2079900003615
Balance per books	\$ 70,413	\$ 648,500	\$ 306,589	\$ (165,041)
Bank Balance	\$ 70,413	\$ 648,500	\$ 306,589	\$ -
(+) Deposits in transit	-	-	-	(196,610)
(-) Outstanding checks	-	-	-	31,569
Other	-	-	-	-
Adjusted bank balance	\$ 70,413	\$ 648,500	\$ 306,589	\$ (165,041)
Deposits in Transit	Date Amt	Date Amt	Date Amt	Date Amt
Outstanding Checks	Ck # Amt	Ck # Amt	Ck # Amt	Ck # Amt
				101521 (6,113)
				13480 (3,750)
				4642 (77)
				4870 (1,792)
				4888 (812)
				14085 (14,273)
				5297 (1,125)
				5307 (2,586)
				5308 (1,883)
				5356 (2,763)
				5383 (6,617)
				101 (92)
				Various (127,269)
				5828 (1,106)
				5867 (1,044)
				A36915 (105)
				A37058 (1,098)
				5881 (1,945)
				5892 (1,031)
				5904 (1,945)
				5905 (3,483)
				5907 (3,418)
				5909 (1,136)
				5910 (1,038)
				5911 (1,504)
				5912 (1,063)
				5913 (1,086)
				5914 (863)
				5915 (1,869)
				5917 (1,878)
				5918 (1,284)
				5919 (461)
Other				
Transfers between bank accounts				
Accounting error				
Interest not recorded on books				
Bank fees not recorded on books				
Payroll tax payments not recorded				49,159
Unreconciled bank activity				(620)
Unreconciled ledger activity				(16,970)
Returned item adjustment				
Payroll/other activity in transit				
Petty cash funds				
Unrecorded deposit				

W. R. Grace & Co. - Conn  
Bank Reconciliations  
February 2002  
MOR-1

	First Union Money Market 8025266271	First Union Depository 2000006910969	Merrill Lynch Investment 3323735	JP Morgan Chase Holding 323223141
Balance per books	\$ -	\$ 3,744	\$ 22,271,927	\$ 710,977
Bank Balance	\$ -	\$ 3,744	\$ 22,315,586	\$ 710,977
(+) Deposits in transit	-	-	-	-
(-) Outstanding checks	-	-	-	-
Other	-	-	(43,659)	-
Adjusted bank balance	\$ -	\$ 3,744	\$ 22,271,927	\$ 710,977
Deposits in Transit	Date Amt	Date Amt	Date Amt	Date Amt
Outstanding Checks	Ck. # Amt	Ck. # Amt	Ck. # Amt	Ck. # Amt
Other				
Transfers between bank accounts				
Accounting error				
Interest not recorded on books				
Bank fees not recorded on books				
Payroll tax payments not recorded				
Unreconciled bank activity				
Unreconciled ledger activity				
Returned item adjustment				
Payroll/other activity in transit				
Petty cash funds				
Unrecorded deposit				

W. R. Grace & Co. - Conn  
Bank Reconciliations  
February 2002  
MOR-1

	First Union Daleen Deposit 2090002554779		First Union SBA Deposit 2090003135045		JP Morgan Chase Concentration 15001257		Fleet Bank Payroll 44987004	
Balance per books	\$ 63,174		\$ 165,968		\$ 529,461		\$ -	
Bank Balance	\$ -		\$ -		\$ 529,461		\$ -	
(+) Deposits in transit	-		-		-		-	
(-) Outstanding checks	-		-		-		-	
Other	63,174		165,968		-		-	
Adjusted bank balance	\$ 63,174		\$ 165,968		\$ 529,461		\$ -	
Deposits in Transit	Date	Amt	Date	Amt	Date	Amt	Date	Amt
Outstanding Checks	Ck. #	Amt	Ck. #	Amt	Ck. #	Amount	Ck. #	Amount
Other								
Transfers between bank accounts								
Accounting error								
Interest not recorded on books								
Bank fees not recorded on books								
Payroll tax payments not recorded								
Unreconciled bank activity								
Unreconciled ledger activity		63,174		165,968				
Returned item adjustment								
Payroll/other activity in transit								
Petty cash funds								
Unrecorded deposit								

**MOR-1**

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[illegible]

	First Union Libby Medical 2079900065006	First Union Accts Payable 2079920005761	First Union Payroll 2079900067554	Wechovia Lockbox 1866-082535
Balance per books	\$ 138,767	\$ (13,122,343)	\$ (103,483)	\$ 692,134
Bank Balance	\$ -	\$ -	\$ -	\$ 692,134
(+) Deposits in transit	-	-	-	-
(-) Outstanding checks	-	(10,898,747)	(140,482)	-
Other	138,767	(2,223,596)	36,999	-
Adjusted bank balance	\$ 138,767	\$ (13,122,343)	\$ (103,483)	\$ 692,134
Deposits in Transit:	Date Amt.	Date Amt.	Date Amt.	Date Amt.
Outstanding Checks:	Ck. # Amount	Ck. # Amount	Ck. # Amount	Ck. # Amount
		detail available	detail available	
Other				
Transfers between bank accounts				
Accounting error				
Interest not recorded on books				
Bank fees not recorded on books				
Payroll tax payments not recorded				
Unreconciled bank activity	138,767			
Unreconciled ledger activity		852,734	19,399	
Returned item adjustment		(3,076,330)	17,600	
Payroll/other activity in transit				
Petty cash funds				
Unrecorded deposit				



W. R. Grace & Co. - Conn  
Bank Reconciliations  
February 2002  
MOR-1

	First Union Accts payable 2079900005260	First Union Accts Payable 2079900005231	Alfirst Payroll 16298831	SunTrust Payroll 00000141309
Balance per books	\$ (3,174,495)	\$ (2,541,827)	\$ 167,396	\$ 45,000
Bank Balance	\$ -	\$ -	\$ 462,228	\$ 45,291
(+) Deposits in transit	-	-	-	-
(-) Outstanding checks	(3,211,706)	(2,541,827)	(250,297)	(291)
Other	37,211	-	(44,535)	-
Adjusted bank balance	\$ (3,174,495)	\$ (2,541,827)	\$ 167,396	\$ 45,000
Deposits in Transit	Date Amt	Date Amt	Date Amt	Date Amt
Outstanding Checks	Ck # Amount	Ck # Amount	Ck # Amount	Ck # Amount
	SAP (3,191,415)	detail available	detail available	7725 (84)
	28618 (65)			74778 (84)
	27868 (1,100)			74939 (123)
	23903 (585)			
	28522 (108)			
	26342 (206)			
	26246 (17,703)			
	28848 (200)			
	15433 (324)			
Other				
Transfers between bank accounts	37,183			
Accounting error				
Interest not recorded on books				
Bank fees not recorded on books			784	
Payroll tax payments not recorded			(27,605)	
Unreconciled bank activity				
Unreconciled ledger activity				
Returned item adjustment	28			
Payroll/other activity in transit			(17,714)	
Petty cash funds				
Unrecorded deposit				

W. R. Grace & Co. - Conn  
Bank Reconciliations  
February 2002  
MOR-1

	PNC 4002641360		Hibernia Natl Disbursement 101391210		Bank of America Payroll 0000 0002 2137		Admiral Payroll 16288557		First Union Petty Cash 2040000015900	
Balance per books	\$ 25,000		\$ 10,000		\$ 25,000		\$ 208,003		\$ 40,778	
Bank Balance	\$ 24,901		\$ 9,830		\$ 30,610		\$ 213,242		\$ 39,956	
(+) Deposits in transit	-		-		-		-		-	
(-) Outstanding checks	-		-		(337)		(4,278)		-	
Other	99		170		(5,273)		(960)		822	
Adjusted bank balance	\$ 25,000		\$ 10,000		\$ 25,000		\$ 208,003		\$ 40,778	
Deposits in Transit	Date	Amnt	Date	Amnt	Date	Amnt	Date	Amnt	Date	Amnt
Outstanding Checks	Ck. #	Amount	Ck. #	Amount	Ck. #	Amount	Ck. #	Amount	Ck. #	Amount
					40820	(337)	4746	(1,823)		
							4852	(723)		
							4907	(1,424)		
							4908	(309)		
Other										
Transfers between bank accounts						(5,384)				
Accounting error										
Interest not recorded on books										
Bank fees not recorded on books		99		170		111				(178)
Payroll tax payments not recorded										
Inreconciled bank activity										
Inreconciled ledger activity										
Returned item adjustment										
Payroll/other activity in transit								(960)		1,000
Petty cash funds										
Unrecorded deposit										

W. R. Grace & Co. - Conn  
Bank Reconciliations  
February 2002  
MOR-1

	Banco de Credito Operating Acct 1931115122058		Banco de Credito Operating Acct 1931125963172		Banco de Credito Time Deposit		Bank of Boston Operating Acct 0154519		Bank of Boston Operating Acct 0154424	
Balance per books	(Soles)	S/. 345,778	(US\$)	\$ 61,131	\$ -		(Soles)	S/. 31,331	(US\$)	\$ 726,525
Bank Balance		S/. 345,778		\$ 61,131	\$ -			S/. 31,331		\$ 726,525
(+) Deposits in transit		-		-	-			-		-
(-) Outstanding checks		-		-	-			-		-
Other		-		-	-			-		-
Adjusted bank balance		S/. 345,778		\$ 61,131	\$ -			S/. 31,331		\$ 726,525
Deposits in Transit	Date		Date		Date		Date		Date	
Outstanding Checks	Ck. #		Ck. #		Ck. #		Ck. #		Ck. #	
Other:										
Transfers between bank accounts										
Accounting error										
Interest not recorded on books										
Bank fees not recorded on books										
Payroll tax payments not recorded										
Unreconciled bank activity										
Unreconciled ledger activity										
Returned item adjustment										
Payroll/other activity in transit										
Petty cash funds										
Unrecorded deposit										

W. R. Grace & Co. Bank Reconciliations February 2002 MOR-1		
	JP Morgan Chase Pass Through 323881963	
Balance per books	\$ -	
Bank Balance	-	
(+) Deposits in transit	-	
(-) Outstanding checks	-	
Other	-	
Adjusted bank balance	\$ -	
Deposits in Transit	Date	Amt
Outstanding Checks	Ck. #	Amt
Other		
Transfers between bank accounts		
Accounting error		
Interest not recorded on books		
Bank fees not recorded on books		
Payroll tax payments not recorded		
Unreconciled bank activity		
Unreconciled ledger activity		
Returned item adjustment		
Payroll activity in transit		
Petty cash funds		

Remedium Group, Inc. Bank Reconciliations February 2002 MOR-1				
	JP Morgan Chase Pass Through 323883842		JP Morgan Chase Disbursement 601831985	
Balance per books	\$ -		\$ 41,882	
Bank Balance	-		-	
(+) Deposits in transit	-		-	
(-) Outstanding checks	-		(17,675)	
Other	-		59,557	
Adjusted bank balance	\$ -		\$ 41,882	
Deposits in Transit	Date	Amount	Date	Amount
Outstanding Checks	Ck. #	Amount	Ck. #	Amount
			2514	(60)
			3010	(115)
			3617	(2,013)
			3732	(88)
			3733	(6,760)
			3738	(150)
			3744	(531)
			3752	(7,342)
			3758	(60)
			3761	(556)
Other				
Transfers between bank accounts				
Accounting error				
Interest not recorded on books				
Bank fees not recorded on books				
Payroll tax payments not recorded				
Unreconciled bank activity				
Unreconciled ledger activity				59,557
Returned item adjustment				
Payroll activity in transit				
Petty cash funds				

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Darex Puerto Rico, Inc. Bank Reconciliations February 2002 MOR-1		
	Citibank Operating Acct 300153011	
Balance per books	\$ 3,611,978	
Bank Balance	3,731,501	
(+) Deposits in transit	-	
(-) Outstanding checks	(123,278)	
Other	3,755	
Adjusted bank balance	\$ 3,611,978	
Deposits in Transit	Date	Amt
Outstanding Checks		
	15376	(12,203)
	15454	(487)
	15461	(27)
	15476	(49)
	15477	(28,074)
	15478	(1,748)
	15479	(2,511)
	15481	(648)
	15482	(4,157)
	15483	(47)
	15484	(250)
	15485	(765)
	15486	(51,223)
	15488	(4,670)
	15490	(348)
	15491	(3,000)
	15493	(125)
	15494	(86)
	15495	(132)
	15497	(8,608)
	15498	(35)
	15500	(300)
	Various	(3,785)
Other		
Transfers between bank accounts		
Accounting error		
Interest not recorded on books		
Bank fees not recorded on books		
Payroll tax payments not recorded		
Unreconciled bank activity		
Unreconciled ledger activity		3,755
Returned item adjustment		
Payroll activity in transit		
Petty cash funds		

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Grace Europe, Inc. Bank Reconciliations February 2002 MOR-1		
	Barclays Bank PLC	
Balance per books	\$	-
Bank Balance		-
(+) Deposits in transit		-
(-) Outstanding checks		-
Other		-
Adjusted bank balance	\$	-
Deposits in Transit	Date	Amt
Outstanding Checks	Ck. #	Amt
Other		
Transfers between bank accounts		
Accounting error		
Interest not recorded on books		
Bank fees not recorded on books		
Payroll tax payments not recorded		
Unreconciled bank activity		
Unreconciled ledger activity		
Returned item adjustment		
Payroll activity in transit		
Petty cash funds		

W.R. Grace & Co. - Chapter 11 Filing Entities  
Combining Statement of Operations  
MOR - 2  
Month Ended March 31, 2002

	W.R. Grace & Co. Conn.	W.R. Grace & Co.	Remedium Group, Inc.	CCHP, Inc.	CC Partners	Grace Washington, Inc.	Litigation Management, Inc.	Grace Europe, Inc.	L B Realty, Inc.
Net sales to third parties	\$ 70,298,707	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	11,034,871	-	-	-	-	-	-	-	-
Net sales to filing entities	210,497	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	1,447,437	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	(7,419,432)	5,946,405	696,746	19,173	845,233	-	2,602,915	-	-
Other income	3,114,165	-	-	-	-	-	-	-	-
	78,686,245	5,946,405	696,746	19,173	845,233	-	2,602,915	-	-
Cost of goods sold to third parties	42,443,793	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	7,905,380	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	160,197	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	25,028,467	-	(2,257)	-	-	35,172	-	-	-
Research and development expenses	4,192,637	-	-	-	-	-	-	-	-
Depreciation and amortization	6,232,286	-	2,257	-	-	-	-	-	-
Interest expense	1,650,715	-	-	-	-	-	-	-	-
	87,613,476	-	-	-	-	35,172	-	-	-
Income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	(8,927,231)	5,946,405	696,746	19,173	845,233	(35,172)	2,602,915	-	-
Chapter 11 reorganization expenses, net	(1,822,348)	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	7,250,155	(4,646,600)	(733,468)	(20,131)	(887,494)	53,744	(2,733,060)	-	5,151
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
<b>Net income</b>	<b>\$ (3,499,424)</b>	<b>\$1,299,805</b>	<b>\$ (36,722)</b>	<b>\$ (958)</b>	<b>\$ (42,261)</b>	<b>\$ 18,572</b>	<b>\$ (130,145)</b>	<b>\$ -</b>	<b>\$ 5,151</b>

**Note #2**

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities  
Combining Statement of Operations  
MOR - 2  
Month Ended March 31, 2002

	Grace International Holdings, Inc.	Darax Puerto Rico, Inc.	Alewite Land Corporation	Alewite Boston, Ltd.	Five Alewite Boston Ltd.	GN Holdings, Inc.	MRA Holdings Corp.	MRA Intermedco, Inc.	MRA Staffing Systems, Inc.	Kootenai Development Company
Net sales to third parties	\$ -	\$ 416,163	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	(1,618)	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	1,953,674	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	(2,691,038)	-	-	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-	-	-	-
	(737,364)	414,545	-	-	-	-	-	-	-	-
Cost of goods sold to third parties	0	194,620	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	35,228	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	86,572	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	6,997	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-	-
	0	323,417	-	-	-	-	-	-	-	-
Income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	(737,364)	91,128	-	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net	-	-	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	791,299	(100,506)	-	-	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-
<b>Net Income</b>	<b>\$ 53,935</b>	<b>\$ (9,378)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Note #2**

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W.R. Grace & Co. - Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities  
Combining Statement of Operations  
MOR - 2  
Month Ended March 31, 2002

	CB Biomedical, Inc.	Amicon, Inc.	Grace Environmental Inc.	Grace Chemical Company of Cuba	Southern Resin & Fiberglass, Inc.	Guanica Caribe Land Development Corporation	Dewey & Almy, LLC	A-1 Bit & Tool Co., Inc.	Grace Tarpon Investors, Inc.	G C Limited Partners I, Inc.
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	-	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	-	-	-	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	-	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	-	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-	-
Income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net	-	-	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	-	-	(46,133)	-	-	-	-	-	-	-
Minority Interest in income of subsidiary	-	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-
<b>Net Income</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (46,133)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Note #2**

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W.R. Grace & Co. - Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities  
Combining Statement of Operations  
MOR - 2  
Month Ended March 31, 2002

	Monolith Enterprises Incorporated	Grace Culinary Systems, Inc.	Grace Hotel Services Corporation	Monroe Street Inc.	Grace H-G Inc.	Hanover Square Corporation	Ecarg, Inc.	W.R. Grace Land Corporation	G.C. Management Inc.	Water Street Corporation
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	-	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	-	-	-	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	-	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	-	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
Income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net (Provision for) benefit from income taxes	-	-	-	-	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-
<b>Net Income</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Note #2**

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of

W. Grace & Co. - Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities  
Combining Statement of Operations  
MOR - 2  
Month Ended March 31, 2002

	Del Taco Restaurants, Inc.	W.R. Grace Capital Corporation	Gloucester New Communities Company, Inc.	Creative Food N-Fun Company	Grace PAR Corporation	Grace A-B Inc.	Homco International Inc.	GPC Thomasville Corp.	Grace Ventures Corp.	Grace Energy Corporation
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	-	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	-	-	-	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	-	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	-	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-	-
Income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net	-	-	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	-	-	-	-	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-
<b>Net Income</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Note #2**

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W.R. Grace & Co. - Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities  
Combining Statement of Operations  
MOR - 2  
Month Ended March 31, 2002

	GEC Management Corporation	Grace Offshore Company	Coalgrace, Inc.	Grace A-B II Inc.	Grace H-G II Inc.	Coalgrace II Inc.	Gracocoal II Inc.	Gracoal, Inc.	Grace Drilling Company	Grace Petroleum Libya Incorporated
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	-	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	-	-	-	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	-	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	-	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-	-
Income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net	-	-	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	-	-	-	-	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-
<b>Net Income</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Note #2**

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W.R. Grace & Co. - Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities  
Combining Statement of Operations  
MOR - 2  
Month Ended March 31, 2002

	Axial Basin Ranch Company	Hayden-Gulch West Coal Company	H-G Coal Company	Eliminations between Filing Entities	Conversion to Equity Method	COMBINED FILING ENTITIES
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 70,714,870
Net sales to non-filing entities	-	-	-	-	-	11,034,871
Net sales to filing entities	-	-	-	(208,879)	-	-
Interest and royalties from non-filing entities, net	-	-	-	-	-	3,401,112
Interest and royalties from filing entities, net	-	-	-	(0)	-	-
Other income	-	-	-	-	-	3,114,165
	-	-	-	(208,879)	-	88,265,017
Cost of goods sold to third parties	-	-	-	-	-	42,638,414
Cost of goods sold to non-filing entities	-	-	-	-	-	7,905,380
Cost of goods sold to filing entities	-	-	-	(195,425)	-	-
Selling, general and administrative expenses	-	-	-	-	-	25,147,953
Research and development expenses	-	-	-	-	-	4,182,637
Depreciation and amortization	-	-	-	-	-	6,241,540
Interest expense	-	-	-	-	-	1,650,715
	-	-	-	(195,425)	-	87,776,639
Income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	-	-	-	(13,454)	-	488,378
Chapter 11 reorganization expenses, net	-	-	-	-	-	(1,822,348)
(Provision for) benefit from income taxes	-	-	-	-	-	(1,067,043)
Minority interest in income of subsidiary	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	6,151,869	6,151,869
Net Income	\$ -	\$ -	\$ -	\$ (13,454)	\$ 6,151,869	\$ 3,750,856

**Note #2**

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.



W.R. Grace & Co. - Chapter 11 Filing Entities  
Combining Balance Sheet  
MOR - 3  
March 31, 2002

	W.R. Grace & Co. Conn.	W.R. Grace & Co.	Remedium Group Inc.	CCHP, Inc.	CC Partners	Grace Washington Inc.
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ 10,295,176	\$ -	\$ (76,304)	\$ -	\$ -	\$ -
Notes and accounts receivable, net	124,161,337	-	94,055	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	265,027,537	(388,716,826)	2,226,414	12,983,854	(27,789,573)	(9,435,454)
Inventories	85,662,665	-	-	-	-	-
Deferred income taxes	21,546,947	-	4,097,301	-	-	-
Asbestos-related insurance expected to be realized within one year	8,705,459	-	-	-	-	-
Other current assets	47,935,073	-	-	-	-	-
<b>Total Current Assets</b>	<b>563,334,194</b>	<b>(388,716,826)</b>	<b>6,341,465</b>	<b>12,983,854</b>	<b>(27,789,573)</b>	<b>(9,435,454)</b>
Properties and equipment, net	377,358,746	-	506,155	-	-	-
Goodwill, net	14,048,934	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	87,026,743	-	-	-	-	-
Deferred income taxes	725,273,908	-	44,101,884	-	-	-
Asbestos-related insurance expected to be realized after one year	283,728,827	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	(1,021,292,605)	768,074,214	120,236,328	4,418,900	190,611,905	-
Investment in filing and non-filing entities	796,841,141	241,512,111	-	-	-	-
Other assets	319,472,659	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 2,145,792,546</b>	<b>\$ 620,869,499</b>	<b>\$ 171,185,832</b>	<b>\$ 17,402,753</b>	<b>\$ 162,822,332</b>	<b>\$ (9,435,454)</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
<b>Current Liabilities</b>						
Debt payable within one year	\$ 1,543,000	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	29,845,885	-	9,404	-	-	-
Income taxes payable	(0)	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	0	-	-	-	-	-
Other current liabilities	44,197,659	-	(75,067)	-	(0)	12,272
<b>Total Current Liabilities</b>	<b>75,586,545</b>	<b>-</b>	<b>(65,663)</b>	<b>-</b>	<b>(0)</b>	<b>12,272</b>
Debt payable after one year	(438,134)	-	-	-	-	-
Deferred income taxes	217,396,543	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	(0)	-	-	-	-	-
Other liabilities	225,139,372	0	0	-	(0)	-
<b>Total Liabilities Not Subject to Compromise</b>	<b>517,684,325</b>	<b>0</b>	<b>(65,663)</b>	<b>-</b>	<b>(0)</b>	<b>12,272</b>
<b>Liabilities Subject to Compromise</b>						
Debt, pre-petition plus accrued interest	527,709,475	-	-	-	-	-
Accounts payable	31,412,455	-	658,334	-	-	-
Income taxes payable	168,366,871	20,566,140	1,244,251	18,478	7,095,939	(299,763)
Asbestos-related liability	994,844,398	-	-	-	-	-
Other liabilities	371,874,518	188,091	137,711,958	-	32,270,267	-
<b>Total Liabilities Subject to Compromise</b>	<b>2,094,207,713</b>	<b>20,754,231</b>	<b>139,614,543</b>	<b>18,478</b>	<b>39,366,206</b>	<b>(299,763)</b>
<b>Total Liabilities</b>	<b>2,611,892,038</b>	<b>20,754,231</b>	<b>139,548,880</b>	<b>18,478</b>	<b>39,366,206</b>	<b>(287,491)</b>
<b>Shareholders' Equity (Deficit)</b>						
Preferred Stock	-	-	-	-	-	-
Common Stock	83,968,960	769,734	12,223	1,000	-	1,000
Paid in capital	142,809,878	429,498,417	9,724,449	34,052,467	56,011,577	-
(Accumulated deficit)/Retained earnings	(498,320,386)	306,857,056	21,900,281	(16,669,191)	67,444,550	(9,148,963)
Treasury stock, at cost	-	(137,010,038)	-	-	-	-
Consolidation of Investments	(135,997,842)	-	-	-	-	-
Cumulative Translation Adjustments	(58,560,102)	-	-	-	-	-
Deferred compensation trust	-	100	-	-	-	-
<b>Total Shareholders' Equity (Deficit)</b>	<b>(466,099,492)</b>	<b>600,115,268</b>	<b>31,636,953</b>	<b>17,384,276</b>	<b>123,456,127</b>	<b>(9,147,963)</b>
<b>Total Liabilities and Shareholders' Equity (Deficit)</b>	<b>\$ 2,145,792,546</b>	<b>\$ 620,869,499</b>	<b>\$ 171,185,832</b>	<b>\$ 17,402,753</b>	<b>\$ 162,822,332</b>	<b>\$ (9,435,454)</b>

**Note #3**

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

## W.R. Grace &amp; Co. - Chapter 11 Filing Entities

## Combining Balance Sheet

MOR - 3

March 31, 2002

	Litigation Management, Inc.	Grace Europe, Inc.	L.B. Realty, Inc.	Grace International Holdings, Inc.	Danex Puerto Rico, Inc.	Alewisa Land Corporation
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ 3,749,867	\$ -
Notes and accounts receivable, net	-	71,973	-	-	2,291,098	-
Receivables from/(payables to) filing and non-filing entities, net	(388,499,848)	5,660,586	140,472,269	(73,251,785)	(1,844,934)	(5,112,580)
Inventories	-	(0)	-	-	122,589	-
Deferred income taxes	-	62,716	-	-	17,655	-
Asbestos-related insurance expected to be realized within one year	-	-	-	-	-	-
Other current assets	-	-	-	-	2,219	-
<b>Total Current Assets</b>	(388,499,848)	5,795,275	140,472,269	(73,251,785)	4,238,495	(5,112,580)
Properties and equipment, net	-	-	-	-	842,198	-
Goodwill, net	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	38,161	-	-	-	-
Asbestos-related insurance expected to be realized after one year	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	435,103,524	(3,420,400)	-	(58,706,163)	-	-
Investment in filing and non-filing entities	-	-	-	58,669,484	-	-
Other assets	-	54,000	-	-	173,492	1,093,682
<b>Total Assets</b>	<b>\$ 46,603,676</b>	<b>\$ 2,467,036</b>	<b>\$ 140,472,269</b>	<b>\$ (73,288,484)</b>	<b>\$ 5,254,184</b>	<b>\$ (4,018,898)</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
<b>Current Liabilities</b>						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ 186,678	\$ -
Accounts payable	-	(41)	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	348,721	(5,613)	-	100,355	-
<b>Total Current Liabilities</b>	-	348,681	(5,613)	-	267,033	-
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	0	-	-	141,872	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	-	348,681	(5,613)	-	408,905	-
<b>Liabilities Subject to Compromise</b>						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	19,389	-	-	133,907	-
Income taxes payable	13,665,302	(594,274)	(47,122)	(4,232,663)	474,451	(85)
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	179,189	-	-	-	-
<b>Total Liabilities Subject to Compromise</b>	13,665,302	(395,696)	(47,122)	(4,232,663)	608,358	(85)
<b>Total Liabilities</b>	<b>13,665,302</b>	<b>(47,015)</b>	<b>(52,735)</b>	<b>(4,232,663)</b>	<b>1,017,263</b>	<b>(85)</b>
<b>Shareholders' Equity (Deficit)</b>						
Preferred Stock	112	-	-	-	-	-
Common Stock	1,000	1,000	-	1,000	1,000	200
Paid in capital	(29,267,410)	-	25,358,993	40,197,489	-	274,606
(Accumulated deficit)/Retained earnings	62,204,672	(419,202)	115,166,011	(31,589,801)	4,235,921	(4,293,619)
Treasury stock, at cost	-	-	-	-	-	-
Consolidation of Investments	-	-	-	-	-	-
Cumulative Translation Adjustments	-	2,832,252	-	(77,664,509)	-	-
Deferred compensation trust	-	-	-	-	-	-
<b>Total Shareholders' Equity (Deficit)</b>	<b>32,938,374</b>	<b>2,514,051</b>	<b>140,525,004</b>	<b>(69,055,821)</b>	<b>4,236,921</b>	<b>(4,018,813)</b>
<b>Total Liabilities and Shareholders' Equity (Deficit)</b>	<b>\$ 46,603,676</b>	<b>\$ 2,467,036</b>	<b>\$ 140,472,269</b>	<b>\$ (73,288,484)</b>	<b>\$ 5,254,184</b>	<b>\$ (4,018,898)</b>

## Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

## W.R. Grace &amp; Co. - Chapter 11 Filing Entities

## Combining Balance Sheet

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March 31, 2002

	Alewife Boston Ltd.	Five Alewife Boston Ltd.	GN Holdings, Inc.	MRA Holdings Corp.	MRA Intermedco Inc.	MRA Stanning Systems Inc.
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Notes and accounts receivable, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	(2,143,455)	-	(57,817,172)	(50)	(160)	(1,369)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized within one year	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
<b>Total Current Assets</b>	(2,143,455)	-	(57,817,172)	(50)	(160)	(1,369)
Properties and equipment, net	-	-	-	-	-	-
Goodwill, net	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized after one year	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	34,053,467	54,500,000	54,500,000	56,011,577
Investment in filing and non-filing entities	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ (2,143,455)</b>	<b>\$ -</b>	<b>\$ (23,763,706)</b>	<b>\$ 54,499,950</b>	<b>\$ 54,499,840</b>	<b>\$ 56,010,208</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
<b>Current Liabilities</b>						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
<b>Total Current Liabilities</b>	-	-	-	-	-	-
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	-	-	-	-	-	-
<b>Liabilities Subject to Compromise</b>						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	(85)	-	-	(50)	(160)	(280)
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Subject to Compromise</b>	(85)	-	-	(50)	(160)	(280)
<b>Total Liabilities</b>	(85)	-	-	(50)	(160)	(280)
<b>Shareholders' Equity (Deficit)</b>						
Preferred Stock	-	-	-	-	-	-
Common Stock	-	-	931,540	1	130	130
Paid in capital	-	-	9,408,460	54,499,999	54,499,870	54,499,870
(Accumulated deficit)/Retained earnings	(2,143,370)	-	(34,103,706)	-	-	1,510,488
Treasury stock, at cost	-	-	-	-	-	-
Consolidation of Investments	-	-	-	-	-	-
Cumulative Translation Adjustments	-	-	-	-	-	-
Deferred compensation trust	-	-	-	-	-	-
<b>Total Shareholders' Equity (Deficit)</b>	(2,143,370)	-	(23,763,706)	54,500,000	54,500,000	56,010,488
<b>Total Liabilities and Shareholders' Equity (Deficit)</b>	<b>\$ (2,143,455)</b>	<b>\$ -</b>	<b>\$ (23,763,706)</b>	<b>\$ 54,499,950</b>	<b>\$ 54,499,840</b>	<b>\$ 56,010,208</b>

## Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

**W.R. Grace & Co. - Chapter 11 Filing Entities**  
**Combining Balance Sheet**  
**MOR - 3**  
**March 31, 2002**

	Kootenai Development Company	CB Biomedical, Inc.	Amicon, Inc.	Grace Environmental, Inc.	Grace Chemical Company of Cuba	Southern Oil Resin & Fiberglass, Inc.
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ 36,936	\$ -	\$ -	\$ -	\$ -	\$ -
Notes and accounts receivable, net	-	(26,718,392)	57,347,191	(7,288,696)	-	-
Receivables from/(payables to) filing and non-filing entities, net	-	-	-	-	-	-
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized within one year	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
<b>Total Current Assets</b>	36,936	(26,718,392)	57,347,191	(7,288,696)	-	-
Properties and equipment, net	-	-	-	-	-	-
Goodwill, net	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized after one year	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	-	-	-	-
Other assets	1,630,940	-	-	-	-	-
<b>Total Assets</b>	\$ 1,667,876	\$ (26,718,392)	\$ 57,347,191	\$ (7,288,696)	\$ -	\$ -
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
<b>Current Liabilities</b>						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	551,649	5,000	-	-	-	-
<b>Total Current Liabilities</b>	551,649	5,000	-	-	-	-
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	551,649	5,000	-	-	-	-
<b>Liabilities Subject to Compromise</b>						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	(104,565)	10,346,794	41,033	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Subject to Compromise</b>	-	(104,565)	10,346,794	41,033	-	-
<b>Total Liabilities</b>	551,649	(99,565)	10,346,794	41,033	-	-
<b>Shareholders' Equity (Deficit)</b>						
Preferred Stock	-	-	-	-	-	-
Common Stock	-	-	-	5,150	-	-
Paid in capital	1,104,954	859,233	3,671,658	5,144,850	-	-
(Accumulated deficit)/Retained earnings	11,273	(27,478,060)	43,427,950	(12,479,729)	-	-
Treasury stock, at cost	-	-	-	-	-	-
Consolidation of Investments	-	-	-	-	-	-
Cumulative Translation Adjustments	-	-	(99,212)	-	-	-
Deferred compensation trust	-	-	-	-	-	-
<b>Total Shareholders' Equity (Deficit)</b>	1,116,227	(26,618,827)	47,000,396	(7,329,729)	-	-
<b>Total Liabilities and Shareholders' Equity (Deficit)</b>	\$ 1,667,876	\$ (26,718,392)	\$ 57,347,191	\$ (7,288,696)	\$ -	\$ -

**Note #3**

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

## W.R. Grace &amp; Co. - Chapter 11 Filing Entities

## Combining Balance Sheet

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March 31, 2002

	Guánica-Caribe Land Development Corporation	Davey & Almy, LLC	A-1 Bit & Tool Co. Inc.	Grace Tarpon Investors, Inc.	G.C. Limited Partners, Inc.	Monolith Enterprises, Incorporated
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ -	\$ 1,000	\$ -	\$ -	\$ -	\$ -
Notes and accounts receivable, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	5,824,344	(102,989)	(1,119,043)	10,284,334	540	(2,417,464)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized within one year	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
<b>Total Current Assets</b>	5,824,344	(101,989)	(1,119,043)	10,284,334	540	(2,417,464)
Properties and equipment, net	-	-	-	-	-	-
Goodwill, net	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized after one year	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	94,022	-	-	-	-
Other assets	-	-	-	-	-	-
<b>Total Assets</b>	\$ 5,824,344	\$ (7,966)	\$ (1,119,043)	\$ 10,284,334	\$ 540	\$ (2,417,464)
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
<b>Current Liabilities</b>						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	3	-	-
<b>Total Current Liabilities</b>	-	-	-	3	-	-
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	-	-	-	3	-	-
<b>Liabilities Subject to Compromise</b>						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	(50)	-	(50)	(350)	(350)	(200)
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Subject to Compromise</b>	(50)	-	(50)	(350)	(350)	(200)
<b>Total Liabilities</b>	(50)	-	(50)	(347)	(350)	(200)
<b>Shareholders' Equity (Deficit)</b>						
Preferred Stock	-	-	-	-	-	-
Common Stock	1,000	2,000	29,000	1,000	1,000	26,000
Paid in capital	5,823,448	-	-	3,136,087	-	9,888,414
(Accumulated deficit)/Retained earnings	(52)	(9,966)	(1,147,993)	7,147,595	(110)	(12,431,678)
Treasury stock, at cost	-	-	-	-	-	-
Consolidation of Investments	-	-	-	-	-	-
Cumulative Translation Adjustments	-	-	-	-	-	-
Deferred compensation trust	-	-	-	-	-	-
<b>Total Shareholders' Equity (Deficit)</b>	5,824,394	(7,966)	(1,118,993)	10,284,682	890	(2,417,264)
<b>Total Liabilities and Shareholders' Equity (Deficit)</b>	\$ 5,824,344	\$ (7,966)	\$ (1,119,043)	\$ 10,284,334	\$ 540	\$ (2,417,464)

## Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

## W.R. Grace &amp; Co. - Chapter 11 Filing Entities

## Combining Balance Sheet

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March 31, 2002

	Grace Culinary Systems, Inc.	Grace Hotel Services Corporation	Monroe Street, Inc.	Grace H-G, Inc.	Harbor Square Corporation	Ecarg, Inc.
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Notes and accounts receivable, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	(26,312,455)	(5,132,534)	(3,350,574)	(2,509,789)	900	(1,230,598)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized within one year	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
<b>Total Current Assets</b>	<b>(26,312,455)</b>	<b>(5,132,534)</b>	<b>(3,350,574)</b>	<b>(2,509,789)</b>	<b>900</b>	<b>(1,230,598)</b>
Properties and equipment, net	-	-	-	-	-	1,184,871
Goodwill, net	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related Insurance expected to be realized after one year	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ (26,312,455)</b>	<b>\$ (5,132,534)</b>	<b>\$ (3,350,574)</b>	<b>\$ (2,509,789)</b>	<b>\$ 900</b>	<b>\$ (45,727)</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
<b>Current Liabilities</b>						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
<b>Total Current Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Liabilities Subject to Compromise</b>						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	(419)	(50)	(150)	(50)	(15)
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Subject to Compromise</b>	<b>-</b>	<b>(419)</b>	<b>(50)</b>	<b>(150)</b>	<b>(50)</b>	<b>(15)</b>
<b>Total Liabilities</b>	<b>-</b>	<b>(419)</b>	<b>(50)</b>	<b>(150)</b>	<b>(50)</b>	<b>(15)</b>
<b>Shareholders' Equity (Deficit)</b>						
Preferred Stock	-	-	-	-	-	-
Common Stock	-	-	1,000	1,000	1,000	50
Paid in capital	-	-	-	-	-	50
(Accumulated deficit)/Retained earnings	(26,312,455)	(5,132,115)	(3,351,524)	(2,510,639)	(50)	(45,812)
Treasury stock, at cost	-	-	-	-	-	-
Consolidation of Investments	-	-	-	-	-	-
Cumulative Translation Adjustments	-	-	-	-	-	-
Deferred compensation trust	-	-	-	-	-	-
<b>Total Shareholders' Equity (Deficit)</b>	<b>(26,312,455)</b>	<b>(5,132,115)</b>	<b>(3,350,524)</b>	<b>(2,509,639)</b>	<b>950</b>	<b>(45,712)</b>
<b>Total Liabilities and Shareholders' Equity (Deficit)</b>	<b>\$ (26,312,455)</b>	<b>\$ (5,132,534)</b>	<b>\$ (3,350,574)</b>	<b>\$ (2,509,789)</b>	<b>\$ 900</b>	<b>\$ (45,727)</b>

## Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W.R. Grace & Co. - Chapter 11 Filing Entities  
Combining Balance Sheet  
MOR - 3  
March 31, 2002

	W.R. Grace Land Corporation	G.C. Management, Inc.	Water Street Corporation	Del Taco Restaurants, Inc.	W.R. Grace Capital Corporation	Gloucester New Communities Company, Inc.
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500
Notes and accounts receivable, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	36,708,687	25,045	(73,001)	(12,559,443)	174,205	(19,464,242)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized within one year	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
<b>Total Current Assets</b>	36,708,687	25,045	(73,001)	(12,559,443)	174,205	(19,463,742)
Properties and equipment, net	-	-	-	-	438,445	-
Goodwill, net	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized after one year	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	6,284,806	-	-	-	-	-
Other assets	-	-	-	-	-	4,066
<b>Total Assets</b>	<b>\$ 42,993,493</b>	<b>\$ 25,045</b>	<b>\$ (73,001)</b>	<b>\$ (12,559,443)</b>	<b>\$ 612,650</b>	<b>\$ (19,459,676)</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
<b>Current Liabilities</b>						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	4,066
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	199	-
<b>Total Current Liabilities</b>	-	-	-	-	199	4,066
Debt payable after one year	-	-	-	-	438,134	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	-	-	-	-	438,333	4,066
<b>Liabilities Subject to Compromise</b>						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	(449)	-	(50)	(190)	-	-
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Subject to Compromise</b>	(449)	-	(50)	(190)	-	-
<b>Total Liabilities</b>	(449)	-	(50)	(190)	438,333	4,066
<b>Shareholders' Equity (Deficit)</b>						
Preferred Stock	-	-	-	-	-	-
Common Stock	5,000	-	1,000	85,539	1,000	5,000
Paid in capital	19,577,160	-	-	6,541,055	4,000	6,000,000
(Accumulated deficit)/Retained earnings	23,411,782	25,045	(73,951)	(19,185,847)	169,317	(25,468,742)
Treasury stock, at cost	-	-	-	-	-	-
Consolidation of Investments	-	-	-	-	-	-
Cumulative Translation Adjustments	-	-	-	-	-	-
Deferred compensation trust	-	-	-	-	-	-
<b>Total Shareholders' Equity (Deficit)</b>	42,993,942	25,045	(72,951)	(12,559,253)	174,317	(19,463,742)
<b>Total Liabilities and Shareholders' Equity (Deficit)</b>	<b>\$ 42,993,493</b>	<b>\$ 25,045</b>	<b>\$ (73,001)</b>	<b>\$ (12,559,443)</b>	<b>\$ 612,650</b>	<b>\$ (19,459,676)</b>

## Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W.R. Grace & Co. - Chapter 11 Filing Entities  
Combining Balance Sheet  
MOR - 3  
March 31, 2002

	Creative Food N Fun Company	Grace PAR Corporation	Grace A-B Inc.	Homco International, Inc.	GPC-Thomasville Corp.	Grace Ventures Corp.
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Notes and accounts receivable, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	23,479,749	6,345,536	810,450	(59,581,487)	(100)	(86,661)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized within one year	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
<b>Total Current Assets</b>	<b>23,479,749</b>	<b>6,345,536</b>	<b>810,450</b>	<b>(59,581,487)</b>	<b>(100)</b>	<b>(86,661)</b>
Properties and equipment, net	-	-	-	-	-	-
Goodwill, net	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized after one year	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 23,479,749</b>	<b>\$ 6,345,536</b>	<b>\$ 810,450</b>	<b>\$ (59,581,487)</b>	<b>\$ (100)</b>	<b>\$ (86,661)</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
<b>Current Liabilities</b>						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
<b>Total Current Liabilities</b>	-	-	-	-	-	-
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	-	-	-	-	-	-
<b>Liabilities Subject to Compromise</b>						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	(399)	(125)	(150)	(255)	(100)	(50)
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Subject to Compromise</b>	<b>(399)</b>	<b>(125)</b>	<b>(150)</b>	<b>(255)</b>	<b>(100)</b>	<b>(50)</b>
<b>Total Liabilities</b>	<b>(399)</b>	<b>(125)</b>	<b>(150)</b>	<b>(255)</b>	<b>(100)</b>	<b>(50)</b>
<b>Shareholders' Equity (Deficit)</b>						
Preferred Stock	-	-	-	-	-	-
Common Stock	1,090,000	1,000	1,000	303,000	-	-
Paid in capital	33,631,999	18,090,032	-	37,765,000	-	1,800,000
(Accumulated deficit)/Retained earnings	(11,241,851)	(11,745,371)	809,600	(97,649,232)	-	(1,988,611)
Treasury stock, at cost	-	-	-	-	-	-
Consolidation of Investments	-	-	-	-	-	-
Cumulative Translation Adjustments	-	-	-	-	-	-
Deferred compensation trust	-	-	-	-	-	-
<b>Total Shareholders' Equity (Deficit)</b>	<b>23,480,148</b>	<b>6,345,661</b>	<b>810,600</b>	<b>(59,581,232)</b>	<b>-</b>	<b>(86,611)</b>
<b>Total Liabilities and Shareholders' Equity (Deficit)</b>	<b>\$ 23,479,749</b>	<b>\$ 6,345,536</b>	<b>\$ 810,450</b>	<b>\$ (59,581,487)</b>	<b>\$ (100)</b>	<b>\$ (86,661)</b>

**Note #3**

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.



## W.R. Grace &amp; Co. - Chapter 11 Filing Entities

## Combining Balance Sheet

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March 31, 2002

	Grace Energy Corporation	GEC Management Corporation	Grace Offshore Company	Coalgrace, Inc.	Grace A-B II, Inc.	Grace H-G II, Inc.
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Notes and accounts receivable, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	352,712,759	4,384,362	(15,750,664)	5,297,049	875,519	(5,104)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized within one year	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
<b>Total Current Assets</b>	<b>352,712,759</b>	<b>4,384,362</b>	<b>(15,750,664)</b>	<b>5,297,049</b>	<b>875,519</b>	<b>(5,104)</b>
Properties and equipment, net	-	-	-	-	-	-
Goodwill, net	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized after one year	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	(35,903,123)	(14,135,725)	-	-	-	-
Investment in filing and non-filing entities	187,272,210	-	-	-	-	-
Other assets	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 604,081,846</b>	<b>\$ (9,751,363)</b>	<b>\$ (15,750,664)</b>	<b>\$ 5,297,049</b>	<b>\$ 875,519</b>	<b>\$ (5,104)</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
<b>Current Liabilities</b>						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	(5,310)	-	-	-	-
<b>Total Current Liabilities</b>	-	(5,310)	-	-	-	-
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	-	(5,310)	-	-	-	-
<b>Liabilities Subject to Compromise</b>						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	(59)	(50)	-	(150)	(150)	(50)
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Subject to Compromise</b>	<b>(59)</b>	<b>(50)</b>	<b>-</b>	<b>(150)</b>	<b>(150)</b>	<b>(50)</b>
<b>Total Liabilities</b>	<b>(59)</b>	<b>(5,360)</b>	<b>-</b>	<b>(150)</b>	<b>(150)</b>	<b>(50)</b>
<b>Shareholders' Equity (Deficit)</b>						
Preferred Stock	-	-	-	-	-	-
Common Stock	1,000	1,000	(114,960)	100	1,000	1,000
Paid in capital	451,425,156	(2,089,027)	34,215,000	-	-	-
(Accumulated deficit)/Retained earnings	52,655,749	(7,657,976)	(49,850,704)	5,297,099	874,669	(6,054)
Treasury stock, at cost	-	-	-	-	-	-
Consolidation of Investments	-	-	-	-	-	-
Cumulative Translation Adjustments	-	-	-	-	-	-
Deferred compensation trust	-	-	-	-	-	-
<b>Total Shareholders' Equity (Deficit)</b>	<b>504,081,905</b>	<b>(9,746,003)</b>	<b>(15,750,664)</b>	<b>5,297,199</b>	<b>875,669</b>	<b>(5,054)</b>
<b>Total Liabilities and Shareholders' Equity (Deficit)</b>	<b>\$ 604,081,846</b>	<b>\$ (9,751,363)</b>	<b>\$ (15,750,664)</b>	<b>\$ 5,297,049</b>	<b>\$ 875,519</b>	<b>\$ (5,104)</b>

## Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

## W.R. Grace &amp; Co. - Chapter 11 Filing Entities

## Combining Balance Sheet

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March 31, 2002

	Coalgrace II, Inc.	Gracoal II, Inc.	Gracoal, Inc.	Grace Drilling Company	Grace Petroleum Libya Incorporated	Axial Basin Ranch Company
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Notes and accounts receivable, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	108,290	130,478,268	145,501,866	(81,114,843)	47,407,856	-
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized within one year	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
<b>Total Current Assets</b>	108,290	130,478,268	145,501,866	(81,114,843)	47,407,856	-
Properties and equipment, net	-	-	-	-	-	-
Goodwill, net	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance expected to be realized after one year	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
<b>Total Assets</b>	\$ 108,290	\$ 130,478,268	\$ 145,501,866	\$ (81,114,843)	\$ 47,407,856	\$ -
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
<b>Current Liabilities</b>						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	(875,000)	(875,000)	-	-	-
<b>Total Current Liabilities</b>	-	(875,000)	(875,000)	-	-	-
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	29,290,346	29,290,346	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	-	28,415,346	28,415,346	-	-	-
<b>Liabilities Subject to Compromise</b>						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	(150)	874,850	874,950	(210)	(50)	-
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Subject to Compromise</b>	(150)	874,850	874,950	(210)	(50)	-
<b>Total Liabilities</b>	(150)	29,290,196	29,290,296	(210)	(50)	-
<b>Shareholders' Equity (Deficit)</b>						
Preferred Stock	-	-	-	-	-	-
Common Stock	1,000	1,000	100	124,473	1,000	-
Paid in capital	-	30,293,750	13,880,108	51,173,713	7,308,934	-
(Accumulated deficit)/Retained earnings	107,440	70,893,322	102,331,362	(132,412,819)	40,097,972	-
Treasury stock, at cost	-	-	-	-	-	-
Consolidation of Investments	-	-	-	-	-	-
Cumulative Translation Adjustments	-	-	-	-	-	-
Deferred compensation trust	-	-	-	-	-	-
<b>Total Shareholders' Equity (Deficit)</b>	108,440	101,188,072	116,211,570	(81,114,633)	47,407,906	-
<b>Total Liabilities and Shareholders' Equity (Deficit)</b>	\$ 108,290	\$ 130,478,268	\$ 145,501,866	\$ (81,114,843)	\$ 47,407,856	\$ -

**Note #3**

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.